

## AGENDA



Thursday, January 17, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 11**

**Subject:** Authorize award, negotiation, and execution of a 24-month requirements service contract with MCCOULOUGH HEATING AND AIR CONDITIONING, Austin, TX, AIRTECH, Austin, TX, and CLIMATE MECHANICAL, Austin, TX for the weatherization of single family homes, manufactured homes, and duplexes for low-income, elderly, or disabled Austin Energy customers in an estimated combined amount not to exceed \$910,000, with three 12-month extension options in an estimated combined amount not to exceed \$455,000 per extension option, for a total estimated combined contract amount not to exceed \$2,275,000.

**Amount and Source of Funding:** Funding in the amount of \$303,333 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining 16 months of the original contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Sandy Calles, Buyer Sr./512-322-6487

**Purchasing Language:** Best three evaluated proposals of four proposals received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority – Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

**Boards and Commission Action:** Recommended by the Resource Management Commission.

This contract will secure weatherization services to an estimated 520 single-family homes and duplexes for low-income, elderly, or disabled Austin Energy utility customers. Customer eligibility is determined by the following criteria: (1) 60 years of age or older, (2) handicapped with household incomes not exceeding 80% of median family income or households with income not exceeding 50% median family income according to current Housing and Urban Development (HUD) Income Poverty Guidelines.

The program compliments other energy conservation incentive programs of Austin Energy in providing equitable conservation services to all residential customers. The goals of the program are to increase resident comfort levels, reduce energy consumption, and lower utility bills through housing efficiency improvements. This contract will provide the contractors with materials for the following energy improvements: air infiltration reduction, including duct system, weather stripping doors, adding insulation in attics, sealing and/or repairing ductwork, caulking of plumbing penetrations, installation of solar screens, and performing other minor energy-related repairs to the home.

The estimated energy savings is equal to 569,400 kWh per year, which represents a major benefit to the local environment. These savings are equivalent to 646,609 vehicle miles traveled, the removal of 81 cars from our roadways, or the planting of 12,627 trees.

Due to the high volume of homes needing this service, Austin Energy recommends contracting with multiple contractors.

MBE/WBE Solicited: 1/0

MBE/WBE Bid: 0/0

#### PRICE ANALYSIS

- a. Adequate competition
- b. Fourteen notices were sent, including one MBE. There are no known WBEs available for these services. Four proposals were received, with no response from the MBE.
- c. The pricing offered represents no change from the previous contracts awarded in February 2005.

#### APPROVAL JUSTIFICATION

- a. Best three evaluated proposals. The recommended vendors are current providers of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended awards.
- c. Advertised on the Internet.